CERT Quarterly Report: Statement of Methodology

A methodology and revisions statement for the publication From of the quarterly CERT update.

Governance Team: Energy Efficiency

1. High Level Methodology:

- 1.1. The Carbon Emmissions Reduction Target is the government's main domestic energy efficiency programme, placing an obligation on the 'Big Six' energy suppliers to reduce carbon emissions by a total of 293 Mt (lifetime) CO₂ by 31 December 2012. Suppliers can achieve savings by installing measures such as insulation, heating and microgeneration technology, or by distributing carbon saving products such as energy efficient lightbulbs, real time displays and home energy advice packages.
- 1.2. Data is available back to March 2008 and the final figures will be released in April / May 2013.
- 1.3. On or around the 7th working day of each quarter (January, April, July, October), obligated energy suppliers submit to Ofgem estimated reports of activity under CERT for the preceding quarter based on data from their management / account / information systems, as well as from any delivery agents they may be using. These cover only completed installations for approved schemes. They also submit brief reports explaining significant changes in trend / activity reported against CERT schemes.
- 1.4. Schemes which are pending Ofgem's approval are not included in the update, however suppliers can still complete activity against these schemes. Upon approval, all cumulative data for the approved scheme will be added to the most recent quarter, potentially causing a small data spike for affected measures.
- 1.5. Ofgem's Energy Efficiency and Governance teams run a series of checks and analyses on the data, querying with suppliers any unexpected trends / figures which have not already been explained by the suppliers.
- 1.6. When all queries have been explained and revised data submitted, the data is published in the CERT Quarterly Update, available <u>HERE</u>. The aim is to publish the quarterly update in the third month of each quarter (roughly 2 months after the initial supply of data from the energy companies, and within 3 months of the end of the quarter the data relates to).
- 1.7. Data is broken down by type of installation delivered.

2. Background to the data:

- 2.1. Obligated CERT suppliers are defined as any energy supplier with more than 250,000 customers¹.
- 2.2. Figures contained in the Quarterly update represent estimated, cumulative activity and reflect a particular point in time. They represent the number of

¹ 50,000 Apr 08 to Dec 11; 250,000 thereafter. In practice this means that only the 'Big 6' are obligated parties during the entire CERT period.

completed installations from approved schemes on the last working day of each quarter.

- 2.3. The data does not include carbon savings from uplifts such as Market Transformation and PG Flex. These uplifts will be calculated at the end of the programme.
- 2.4. The data is not a report of fully approved and finalised activity; data used for compliance purposes is submitted by suppliers at the end of each scheme.
- 2.5. While the update contains total estimated carbon savings data for all technologies, reported measure numbers are for key technologies only and not a reflection of all activity under CERT.

3. Revision Statement:

- 3.1. Ofgem completes a series of comprehensive checks on the data before inclusion in the quarterly reports, however the figures provided are estimates and therefore subject to change (e.g. when more accurate data is received from a project partner). Suppliers can close schemes at any point and when the carbon savings have been authorised by Ofgem, the estimated data reported in the update will become actual savings data.
- 3.2. There may also be instances when a typographical (or similar) error is identified.
- 3.3. If a *significant* error / data revision is identified after the update has been published, Ofgem will release a republication, containing both the revised data and a reason for the alteration. This republication will be released prior to, or alongside the subsequent quarterly report.
- 3.4. Should a less significant error / data revision be identified, Ofgem will highlight the issue in a subsequent quarterly report either in the text, or as a footnote, marked within the text.

4. Pre-release access

- 4.1. The update is produced and handled by E-serve's Energy Efficiency and Governance Teams. Pre-release access is granted to the following persons:
 - DECC Statistical Staff,
 - DECC Energy Company Obligations staff,